

ER

Central Intelligence Agency



Washington, D.C. 20505

27 MAY 1986

OCA 86-1764

The Honorable James C. Miller III
Director
Office of Management and Budget
Washington, D.C. 20503

Dear Mr. Miller:

This is in response to your request for the views of the Director of Central Intelligence on enrolled bill H.R. 2672, the Federal Employees Retirement System Act of 1986.

In establishing a new supplemental retirement system for federal employees hired after 31 December 1983, the legislation takes into account the special needs of the Central Intelligence Agency. The legislation provides benefits similar to those provided under the Central Intelligence Agency Retirement and Disability System for employees hired after December 31, 1983 who meet the criteria prescribed under §203 of the Central Intelligence Agency Retirement Act. The major benefits are early retirement (age 50) and higher accrual rate (1.7%) than that provided for other Federal employees who do not fit within a special category. The legislation also provides a higher accrual rate for Agency employees serving overseas who do not qualify for CIARDS and certain employees of the NSA and DIA who serve overseas. Finally, the legislation provides for self-administration of the retirement system for Agency employees hired before or after 31 December 1983. Providing for CIA administration of retirement systems as they apply to CIA employees reduces unnecessary dissemination within the Government of intelligence personnel information, thereby improving security.

The retirement system created by this legislation will assist the Agency in recruiting and retaining the high caliber individuals that we need to maintain an intelligence capability second to none. I, therefore, recommend Presidential approval of this legislation.

Sincerely,

/s/ William J. Casey

William J. Casey
Director of Central Intelligence

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